

(2) Effective first pay period after November 1, 2001, the salary range for covered classes in the bargaining unit will reflect a 4.5% increase.

(3) Effective first pay period after November 1, 2002, the salary range for covered classes will be adjusted based on the Bay Area CPI^b, as follows: if the CPI is between 3.0% and 6.0%, the adjustment would be the same as the actual CPI rate; if the CPI is below 3%, the adjustment would be 3%; if the CPI is greater than 6% but less than 8%, the adjustment would be 6%. The City will meet and confer on the issue of salary adjustment should the CPI equal or exceed 8%, if so requested by the Union.

(4) Effective first pay period after November 1, 2003, the salary range for covered classes will be adjusted based on the Bay Area CPI, under the same rules as the November 1, 2002, adjustment.

(5) The applicable percentage increases shall be paid at the highest previously existing base rate for the top step of the "employee paid PERS" for each salary range.

(a) For the five- or six-step range, the range will be calculated by dividing each range step, beginning with top step, by the factor 1.0525.

(b) The City agrees to a phased elimination of nine- and eleven-step pay plans and to maintain five- and six-step pay plans for all unit employees. Employees on the nine/eleven step plan as of November 1, 2000, shall be eligible for a merit step increase to the appropriate salary step on the new five/six step plan which provides for at least a five percent (5%) salary adjustment or up to the maximum salary step at the time of the employee's annual performance review date next following November 1, 2000. The City will maintain both a five/six and nine/eleven step salary range structure for approximately one year during this transition period. Any employee hired on or after March 1, 2001, will be assigned to the appropriate five/six step salary plan. Employees hired between November 1, 2000, and February 28, 2001, will be eligible for a merit step increase to the appropriate salary step on the new five/six step plan which provides for at least a five percent (5%) salary adjustment or up to the maximum salary step after six months of service.

Effective first pay period after July 1, 2003, the City agrees to transition the Maintenance Worker I classification from a six-step salary plan to a five-step plan by eliminating the then-current step one and renumbering the then-current step two as new step one, etc. Any employee who was at then step one would automatically be moved to the new step one of the salary range.

Section 6.2 Salary Plan Administration

of Burlingame, Daly City, Foster City, Menlo Park, Millbrae, Pacifica, San Mateo and South San Francisco, and San Mateo County.

b Defined as the Consumer Price Index (SF/Bay Area 82-84 = 100, W).

Employees occupying a position in the competitive service shall be paid a salary within the range established for that position's classification.

Section 6.3 Salary Plan Administration, Original Appointment

Except as herein otherwise provided, the salary for a new employee entering the competitive service shall be the minimum salary step for the classification to which the employee is appointed. However, when necessary to secure the best-qualified employee for a position, the City Manager may appoint a new employee at a salary step other than the minimum step of the respective classification. The City Manager's decision shall be final.

Section 6.4 Salary Plan Administration, Advancement with Salary Range

No salary advancement shall be made so as to exceed the maximum rate established in the pay plan for the class to which the advanced employee's position is allocated. Employees hired at the first step of the salary range shall be evaluated for salary advancement after the first six months of service from the anniversary date and after additional one-year periods of service thereafter until the employee has reached the maximum rate established. Employees hired at other steps of the salary range shall be evaluated for salary advancement after the first year of service from the anniversary date and after additional one year periods of service thereafter until the employee has reached the maximum rate established. Advancement within the salary range shall generally be made one step at a time. However, the City Manager may, when circumstances warrant it, advance the salary of an employee more than one step at a time, or earlier than the required waiting period.

Advancements shall not be automatic, but shall depend upon increased service value of an employee to the City as exemplified by recommendations of the employee's supervisor, length of service, performance record, special training undertaken, or other pertinent evidence.

Advancement to the next higher step within the range of the assigned classification shall be implemented only upon final approval by the City Manager.

Changes in an employee's salary because of promotion, demotion, or an early salary advancement or a delayed salary advancement will set a revised salary anniversary date for that employee.

Salary range adjustments for a classification will not set a new salary anniversary date for employees serving in that classification.

Whenever the schedule of compensation for a classification is revised, each incumbent in a position to which the revised schedule applies shall be paid at the same step in the revised range as the step at which the employee was paid in the previous range.

If an employee takes a leave of absence, the time spent away from work shall not be counted toward the completion of the next step. If an employee takes a leave of absence with pay, the time spent away from work in excess of 45 consecutive calendar days shall not be